

H.R. 214--The Right to Privacy Act of 1976

H.R. 214, a bill pertaining to mail covers, access to financial records, and practices of communication common carriers, does not take into consideration the unique and legitimate needs of U.S. foreign intelligence agencies. As drafted, the bill could curtail important and fully proper intelligence activities directed toward foreign subjects and entities--activities unrelated to the privacy rights of American citizens and permanent resident aliens.

The following are examples of the problems raised by H.R. 214:

A. Title I, relating to financial records, could seriously impair United States Government efforts to assess the extent, nature, and impact of foreign investments in the United States, such as "petro-dollar" accounts. The bill requires customer authorization prior to release of financial information to the Government and identification of the U.S. Government agency or department seeking access to the information. The definition of "customer" in Section 1(d) of the bill could include nonresident aliens. This is broader than the Privacy Act of 1974 which applies only to citizens and permanent resident aliens. Thus, H.R. 214 would preclude discreet monitoring of any of the financial dealings of foreign nations and their agents involving institutions organized under U.S. law, and would thereby deprive the U.S. Government of essential information concerning foreign financial and monetary dealings, as well as the extent of foreign investment in the United States.

B. Title I appears to apply to foreign branches of financial institutions organized under U.S. law, and, as stated above, applies to foreign customers. This could prevent the U.S. Government from monitoring overseas financial transactions involving foreign nations and their agents, and will hinder the collection of foreign economic information to meet the needs of elements of the U.S. Government.

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